STAND. COM. REP. NO. 148

Honolulu, Hawaii

FEB 1 0 2025

RE: S.B. No. 191 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred S.B. No. 191 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY ASSISTANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- Establish the Hawaii Low-Income Home Energy Assistance Program within the Department of Human Services to assist low-income households in paying their energy bills;
- (2) Require the Public Utilities Commission to assess ratepayers a percentage fee to fund the program; and
- (3) Appropriate funds.

Your Committee received testimony in support of this measure from the Public Utilities Commission, Hawai'i Energy, and Catholic Charities Hawai'i.

Your Committee received comments on this measure from the Department of Budget and Finance; Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Department of Human Services; Hawaiian Electric; and Tax Foundation of Hawaii.

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Your Committee finds that the State's electricity rates are amongst the highest in the nation and the number of electric utility customers in arrears and facing disconnections have grown since before the COVID-19 pandemic. Your Committee further finds that the current federal Low-Income Home Energy Assistance Program (LIHEAP), which provides assistance to families nationwide via a one-time payment to help with energy costs, unfortunately has limited reach in the State, which received only 0.14 percent of federal LIHEAP funds in fiscal year 2021-2022, which is roughly half of the next-lowest state. To address this issue, this measure as introduced, establishes the state-level Hawaii Home Energy Assistance Program to supplement the support the State's low-income households currently receive from the federal-level LIHEAP.

Your Committee has heard the concerns raised in testimony, including the questions regarding the requirement that electric utility ratepayers pay additional surcharges to fund the proposed program with revenue from a demand-side management surcharge, as proposed by this measure, as introduced.

Your Committee understands these concerns and notes that S.B. No. 994, Regular Session of 2025, also proposes to establish an energy assistance program to assist qualifying households in paying their energy bills. Your Committee finds that the language in S.B. No. 994 is preferable because the funding for the proposed program would not be coming from surcharges to ratepayers in the State.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting the language from S.B. No. 994, a substantively similar measure that:
 - (A) Establishes the Hawaii Home Energy Assistance Program within the Department of Human Services to assist qualifying households in paying their energy bills;
 - (B) Requires the Public Utilities Commission Public Benefits Fee Administrator to provide certain assistance to recipients of the program; and

- (C) Appropriates funds to be expended by the Department of Human Services;
- Inserting an effective date of December 31, 2050, to (2) encourage further discussion; and
- Making a technical, nonsubstantive amendment for the (3) purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 191, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 191, S.D. 1, and be referred to your Committees on Commerce and Consumer Protection and Ways and Means.

> Respectfully submitted on behalf of the members of the Committee on Health and Human Services,



The Senate Thirty-Third Legislature State of Hawai'i

Record of Votes Committee on Health and Human Services HHS

Bill / Resolution No.:*	Committee Referral: Date:					
5B 191	HHS,CPN/WAM 1/27/25					
The Committee is reconsidering its previous decision on this measure.						
If so, then the previous decision was to:						
The Recommendation is:						
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313						
Members		Aye	Aye (W	R)	Nay	Excused
SAN BUENAVENTURA, Joy A. (C)						
AQUINO, Henry J.C. (VC)		/				
HASHIMOTO, Troy N.						
KEOHOKALOLE, Jarrett					_	
FEVELLA, Kurt						
						
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TOTAL		-				
TOTAL			<u> </u>			
Recommendation: Adopted Not Adopted						
Chair's or Designee's Signature:						
Distribution: Original File with Committee Re	port Clerk	Pink Prafting Age	Pink Goldenrod afting Agency Committee File Copy			

*Only one measure per Record of Votes